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**CHILD ADVOCACY SERVICES, INC.
FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
DECEMBER 31, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/21/10

CHILD ADVOCACY SERVICES, INC.

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Justin J. Scanlan, C.F.A., LLC

A LIMITED LIABILITY COMPANY

4789 ST. ROCH AVE. NEW ORLEANS, LOUISIANA 70122
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Child Advocacy Services, Inc.

We have audited the accompanying statement of financial position of Child Advocacy Services, Inc. (a non-profit corporation), as of December 31, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Child Advocacy Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Corporation's 2008 financial statements and, in our report dated February 4, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Child Advocacy Services, Inc. as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 3, 2010, on our consideration of Child Advocacy Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Child Advocacy Services, Inc. taken as a whole. The supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and is not a required part of the basic financial statements of Child Advocacy Services, Inc. The schedule of expenditures of federal awards is required by the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Justin J. Scanlan, CPA, LLC

New Orleans, Louisiana
February 3, 2010

CHILD ADVOCACY SERVICES, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

TOTAL
MEMORANDUM ONLY
DECEMBER 31, 2008

ASSETS

Cash	\$ 90,876	\$ 18,569
Certificates of deposit	198,481	259,112
Receivables (Notes A4 and B)		
Grants	102,267	110,305
Other	<u>7,603</u>	<u>2,061</u>
	<u>109,870</u>	<u>112,366</u>
Property, building and equipment - at cost (Notes A5 and C)	<u>90,652</u>	<u>95,333</u>
Total assets	<u>\$ 489,879</u>	<u>\$ 485,380</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued liabilities	\$ -	\$ -
Total liabilities	-	-
Commitment (Note D)	-	-
Net assets		
Unrestricted	487,879	482,760
Temporarily restricted (Note H)	<u>2,000</u>	<u>2,620</u>
Total net assets	<u>489,879</u>	<u>485,380</u>
Total liabilities and net assets	<u>\$ 489,879</u>	<u>\$ 485,380</u>

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2009

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL	MEMORANDUM ONLY For the year ended December 31, 2008
REVENUE				
United Way	\$ -	\$ 122,198	\$ 122,198	\$ 123,397
Grant appropriations	-			
Governmental (Note E)	-	939,322	939,322	905,410
Other	-	45,583	45,583	56,103
Fund raising	60,929	-	60,929	25,824
Other	21,357	-	59,101	64,087
Contributions	64,587	37,744	64,587	50,322
Net assets released from restrictions	1,145,467	< 1,145,467 >	-	-
Total revenues	<u>1,292,340</u>	<u>< 620 ></u>	<u>1,291,720</u>	<u>1,225,143</u>
EXPENSES				
Program services				
Court appointed special advocate	812,149	-	812,149	745,988
Children's advocacy center	249,287	-	249,287	245,917
Community education and awareness	118,208	-	118,208	139,320
	<u>1,179,644</u>	<u>-</u>	<u>1,179,644</u>	<u>1,131,225</u>
Supportive services				
Management and general	93,875	-	93,875	118,400
Fund raising	13,702	-	13,702	13,759
	<u>107,577</u>	<u>-</u>	<u>107,577</u>	<u>132,159</u>
Total expenses	<u>1,287,221</u>	<u>-</u>	<u>1,287,221</u>	<u>1,263,384</u>
Increase <decrease> in net assets	5,119	< 620 >	4,499	< 38,241 >
Net assets, beginning of year	<u>482,760</u>	<u>2,620</u>	<u>485,380</u>	<u>523,621</u>
Net assets, end of year	<u>\$ 487,879</u>	<u>\$ 2,000</u>	<u>\$ 489,879</u>	<u>\$ 485,380</u>

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2009

	<u>PROGRAM SERVICES</u>				<u>TOTAL</u>	
	<u>COURT APPOINTED SPECIAL ADVOCATE</u>	<u>CHILDREN'S ADVOCACY CENTER</u>	<u>COMMUNITY EDUCATION AND AWARENESS</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUND RAISING</u>	<u>FOR THE YEAR ENDED DECEMBER 31, 2008</u>
Salaries	\$ 516,869	\$ 149,416	\$ 77,716	\$ 53,339	\$ 8,986	\$ 786,498
Fringe benefits	114,982	38,865	13,893	4,252	1,797	151,917
Occupancy	70,886	15,328	10,930	10,794	-	108,718
Travel	43,150	11,323	6,409	-	-	53,968
Supplies	14,906	6,029	4,494	2,826	-	36,911
Printing	6,953	7,173	1,159	532	-	14,650
Board generated self-support	-	-	-	-	2,919	2,296
Other program expenses	44,403	21,153	3,607	22,132	-	108,426
Total expenses	<u>\$ 812,149</u>	<u>\$ 249,287</u>	<u>\$ 118,208</u>	<u>\$ 93,875</u>	<u>\$ 13,702</u>	<u>\$ 1,263,384</u>

The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2009

**MEMORANDUM
ONLY
For the year ended
December 31, 2008**

Increase <decrease> in cash and cash equivalents

Cash flows from operating activities:

Increase <decrease> in net assets	\$ 4,499	\$ < 38,241>
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Adjustments to reconcile increase <decrease> in net assets to net cash provided by <used in> operating activities:

Depreciation	4,681	4,680
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Changes in assets and liabilities:

Decrease in grants receivable	8,038	449
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<Increase> decrease in other receivables	<5,542>	5,572
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Net cash provided by <used in> operating activities	11,676	<27,540>
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Cash flows from investing activities:

Purchase of certificates of deposit	< 4,185>	< 7,587>
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Proceeds from maturity of certificates of deposit	64,816	-
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Net cash provided by <used in> investing activities	60,631	< 7,587>
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Increase <decrease> in cash and cash equivalents	72,307	< 35,127>
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Cash and cash equivalents, beginning of year	18,569	53,696
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Cash and cash equivalents, end of year	\$ 90,876	\$ 18,569
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The accompanying notes are an integral part of this financial statement.

CHILD ADVOCACY SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Nature of Activities

Child Advocacy Services, Inc. was organized to give voice, healing and security to children in Louisiana, primarily in the Florida parishes region.

2. Financial Statement Presentation

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth under FASB ASC 958. Accordingly, the net assets of the corporation are classified to present the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets. There were no permanently restricted net assets.

Net assets of the restricted class are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

3. Revenue Recognition

Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions".

Grant revenue is recognized as it is earned in accordance with approved contracts.

4. Receivables

The corporation considers accounts receivable to be fully collectible since the balance consists principally of payments due under governmental contracts. If amounts due become uncollectible, they will be charged to operations when that determination is made.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. Property, Building and Equipment

Child Advocacy Services, Inc. records property acquisitions at cost. Donated assets are recorded at estimated value at date of donation.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight-line method. Depreciation expense for the year ended December 31, 2009 totaled \$4,681.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$5,000.

6. Cash equivalents

For purposes of the statement of cash flows, the corporation considers all investments with original maturities of three months or less to be cash equivalents.

7. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

8. Fair Values of Financial Instruments

Cash and cash equivalents carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those investments.

9. Functional Allocation of Expense

The expenses of providing the program and other activities have been summarized on a functional basis in the statement of functional expenses. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

10. Subsequent Events

The subsequent events of the organization were evaluated through the date the financial statements were available to be issued (February 3, 2010).

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

11. Total Columns of Combined Statements

Total columns are captioned "Memorandum Only" to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE B - GRANTS RECEIVABLE

The grants receivable consist of the following as of December 31, 2009:

Louisiana Commission on Law Enforcement and Administration of Criminal Justice	\$ 28,695
State of Louisiana – Department of Social Services	14,938
Supreme Court - State of Louisiana	<u>58,634</u>
	<u>\$ 102,267</u>

NOTE C – PROPERTY, BUILDING AND EQUIPMENT

Property, building and equipment at December 31, 2009 consists of the following:

Building and improvements	\$ 86,758
Equipment	<u>7,979</u>
	94,737
Less accumulated depreciation	<u>< 34,085 ></u>
	60,652
Land	<u>30,000</u>
	<u>\$ 90,652</u>

NOTE D - COMMITMENT

The corporation leases office space for its administrative office in Hammond and four branch locations in Denham Springs, Jackson, Laplace and Gonzales under noncancelleble agreements accounted for as operating leases. The Gonzales lease expires December 31, 2009. The Denham Springs lease expires November 30, 2010. The Jackson, Hammond, and LaPlace offices are leased month-to-month.

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009

NOTE D – COMMITMENT - CONTINUED

Future minimum lease payments are as follows:

<u>December 31,</u>	
2010	<u>\$ 17,050</u>

The rental expense for the year ended December 31, 2009 totaled \$57,000.

NOTE E - SUMMARY OF FUNDING

Child Advocacy Services, Inc.'s funding for grants consist of the following:

<u>Grants</u>	<u>Periods</u>	<u>Grant Award</u>	<u>Revenue Recognized</u>
<u>Governmental</u>			
State of Louisiana – Office of Community Services			
Children's Trust Fund	7/1/09-6/30/10	\$ 15,000	\$ 9,000
	7/1/09-6/30/10	18,000	9,500
	7/1/09-6/30/10	25,000	12,500
	7/1/08-6/30/09	35,000	17,500
	7/1/08-6/30/09	18,000	4,000
National Court Appointed Special			
Advocate Association	7/1/08-6/30/09	23,500	11,750
	10/1/09-6/30/10	2,000	2,000
National Children's Alliance	1/1/09-12/31/09	10,000	10,000
State of Louisiana – Supreme Court	7/1/08-6/30/09	702,727	369,421
	7/1/09-6/30/10	730,603	338,929
City Court of Hammond's Juvenile Drug			
Court Program	1/1/09-12/31/09	15,050	15,050
Louisiana Commission on Law Enforcement and			
Administration of Criminal Justice	4/1/09-2/28/10	32,393	29,644
	12/1/08-3/31/09	10,865	10,865
	6/1/09-5/31/10	42,838	22,941
	1/1/09-12/31/09	52,417	52,417
	10/1/08-9/30/09	23,122	17,696
	10/1/09-9/30/10	6,109	<u>6,109</u>
Total governmental grants			<u>\$ 939,322</u>

CHILD ADVOCACY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2009

NOTE F – RETIREMENT ARRANGEMENT

The Child Advocacy Services, Inc. sponsors a deferred compensation plan covering all employees earning over \$5,000 and elect to defer a portion of their salary. The corporation will match 3% of the deferred compensation. The contribution rate remains unchanged from the prior year. The retirement expense for the year ended December 31, 2009 totaled \$7,278.

NOTE G - INCOME TAXES

The Corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE H – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2009 consist of the following:

National Court Appointed Special Advocate Association	<u>\$ 2,000</u>
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NOTE I - BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE J – ECONOMIC DEPENDENCY

Child Advocacy Services, Inc. received the majority of its revenue from funds provided through grants administered by the State of Louisiana. The grant amounts are appropriated each year by the federal and state government. If significant budget cuts are made at the federal and/or state level, the amount of the funds the corporation receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the corporation's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the corporation will receive in the next fiscal year.

The corporation's support through government grants totaled 73% for the year ended December 31, 2009.

SUPPLEMENTAL INFORMATION

CHILD ADVOCACY SERVICES, INC.

STATEMENT OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2009

REVENUE	COURT APPOINTED SPECIAL ADVOCATE	CHILDREN'S ADVOCACY CENTER	COMMUNITY EDUCATION AND AWARENESS	TOTAL
Direct program revenue:				
Grant appropriations	\$ 763,913	\$ 186,992	\$ 34,000	\$ 984,905
Total direct program revenues	<u>763,913</u>	<u>186,992</u>	<u>34,000</u>	<u>984,905</u>
Unrestricted revenue	90,919	45,739	47,959	184,617
Total self-generated revenue	<u>90,919</u>	<u>232,731</u>	<u>81,959</u>	<u>1,169,522</u>
United Way	61,161	15,974	45,063	122,198
Total revenue	<u>915,993</u>	<u>248,705</u>	<u>127,022</u>	<u>1,291,720</u>
EXPENSES				
Salaries	516,869	149,416	77,716	744,001
Fringe benefits	114,982	38,865	13,893	167,740
Occupancy	70,886	15,328	10,930	97,144
Travel	43,150	11,323	6,409	60,882
Supplies	14,906	6,029	4,494	25,429
Printing	6,953	7,173	1,159	15,285
Other program expenses	44,403	21,153	3,607	69,163
Total direct program expenses	<u>812,149</u>	<u>249,287</u>	<u>118,208</u>	<u>1,179,644</u>
Support service expenses	75,104	21,998	10,475	107,577
Total expenses	<u>887,253</u>	<u>271,285</u>	<u>128,683</u>	<u>1,287,221</u>
INCREASE <DECREASE> IN NET ASSETS	\$ 28,740	\$ <27,580>	\$ <1,661>	\$ 4,492

CHILD ADVOCACY SERVICES, INC.
STATEMENT OF ACTIVITIES - LOUISIANA
SUPREME COURT TANF PROGRAM

For the year ended December 31, 2009

	For the period January 1, 2009 through June 30, 2009	For the period July 1, 2009 through December 30, 2009	Total
REVENUE			
Grant appropriations	\$ 369,421	\$ 338,929	\$ 708,350
Total revenue	<u>369,421</u>	<u>338,929</u>	<u>708,350</u>
EXPENSES			
Salaries	223,807	216,105	439,912
Fringe benefits	45,976	44,770	90,746
Professional services	8,096	873	8,969
Operating expense	40,407	49,650	90,057
Travel	16,984	14,952	31,936
Training	15,434	2,600	18,034
Equipment	1,021	925	1,946
Supplies	11,802	8,699	20,501
Printing/copying	<u>5,894</u>	<u>355</u>	<u>6,249</u>
Total expenses	<u>369,421</u>	<u>338,929</u>	<u>708,350</u>
Increase <decrease> in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CHILD ADVOCACY SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended December 31, 2009

	<u>PASS-THROUGH GRANTOR CONTRACT NO.</u>	<u>FEDERAL CFDA NUMBER</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Funds passed through State of Louisiana – Supreme Court:			
TANF Program	-	93.558	\$ 708,350
Total U. S. Department of Health and Human Services			<u>708,350</u>
U. S. DEPARTMENT OF JUSTICE			
Funds passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice:			
CASA Program	C08-5-013	16.575	17,696
CASA Program	-	16.575	6,109
Child Advocacy Program	C08-8-018	16.575	29,644
Child Advocacy Program	C82-8-006	16.801	22,941
Child Advocacy Program	C08-5-014	16.575	52,417
Child Abuse Counseling Program	C08-7-013	16.575	10,865
Funds passed through the National Children's Alliance:			
Child Abuse Program	247-HAMM-LA-PS09	16.543	10,000
Funds passed through the National Court Appointed Special Advocate Association:			
Expansion Grants	LA10239-08-0708-E2	16.547	<u>11,750</u>
Total U. S. Department of Justice			<u>161,422</u>
TOTAL FEDERAL AWARDS			<u>\$ 869,772</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A. Presentation of Financial Statements

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded, for financial reporting purposes, when Child Advocacy Services, Inc. has met the cost of reimbursement or funding qualifications for the respective grants.

B. Non-federal Contributions

The non-federal contribution relating to programs funded by the Louisiana Commission on Law Enforcement and Administrators of Criminal Justice for the year ended December 31, 2009 totaled \$34,918.

Justin J. Scanlan, C.F.A., F.T.C.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Child Advocacy Services, Inc.

We have audited the financial statements of Child Advocacy Services, Inc. (a non-profit corporation), as of and for the year ended December 31, 2009, and have issued our report thereon dated February 3, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Child Advocacy Services, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Child Advocacy Services, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Child Advocacy Services, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Child Advocacy Services, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the audit committee, management, others within the entity, Louisiana Legislative Auditor, Board of Trustees and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
February 3, 2010

Justin J. Scanlan, C.P.A., T.T.C.

A LIMITED LIABILITY COMPANY

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Child Advocacy Services, Inc.

Compliance

We have audited the compliance of the Child Advocacy Services, Inc. with the types of compliance requirements described in the "OMB Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended December 31, 2009. Child Advocacy Services, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Child Advocacy Services, Inc.'s management. Our responsibility is to express an opinion on Child Advocacy Services, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of the States, Local Governments, Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Child Advocacy Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Child Advocacy Services, Inc.'s compliance with those requirements.

In our opinion, Child Advocacy Services, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of the Child Advocacy Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Child Advocacy Services, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Child Advocacy Services, Inc.'s internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, Louisiana Legislative Auditor, Board of Directors, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Justin J. Scanlon, CPA, LLC

New Orleans, Louisiana
February 3, 2010

CHILD ADVOCACY SERVICES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended December 31, 2009

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Child Advocacy Services, Inc.
2. The statement that significant deficiencies in internal control were disclosed by the audit of the financial statements and whether any such conditions were material weaknesses is not applicable.
3. No instances of noncompliance material to the financial statements of Child Advocacy Services, Inc. were disclosed during the audit.
4. The statement that significant deficiencies in internal control over major programs were disclosed by the audit and whether any such conditions were material weaknesses is not applicable.
5. The auditor's report on compliance for the major federal award programs for Child Advocacy Services, Inc. expresses an unqualified opinion on all major programs.
6. The audit disclosed no findings which are required to be reported under Section 510(a) of Circular A-133.
7. The programs tested as major programs included:

U. S. Department of Health and Human Services:
Passed through State of Louisiana Supreme Court:
TANF Program (CFDA# 93.558)
8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. Child Advocacy Services, Inc. was determined to be a low-risk auditee.

CHILD ADVOCACY SERVICES, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

For the year ended December 31, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no findings related to the financial statements for the year ended December 31, 2009.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

There were no items identified in the course of our testing during the current year required to be reported.

D. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings.